

Board of Directors



GOVERNMENT
DEVELOPMENT
BANK FOR
PUERTO RICO

COMMONWEALTH OF PUERTO RICO

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CERTIFICATE AS TO RESOLUTION

I, **OLGA L. ORTIZ**, Secretary of the Board of Directors of Government Development Bank for Puerto Rico, **DO HEREBY CERTIFY**, that attached hereto is a true and correct copy of **Resolution 9024** which was duly adopted by the Board of Directors of Government Development Bank at a meeting duly called and held on December 17, 2008, at which meeting a quorum was present and acting throughout. Said Resolution has not been repealed, revoked, rescinded, annulled or amended, and is in full force and effect.

RESOLUTION 9024

TO AUTHORIZE A LINE OF CREDIT OF \$15,000,000 TO THE PUERTO RICO HIGHWAY AND TRANSPORTATION AUTHORITY TO FINANCE PAYROLL EXPENSE

WHEREAS, the Puerto Rico Highway and Transportation Authority (the "Authority") has requested to the Government Development Bank for Puerto Rico (the "Bank") financing in an aggregate amount of \$140,000,000 of which \$100,000,000 to be used to pay costs incurred or to be incurred in the acquisition, construction, equipping, installation and development of certain additional improvements to the Authority's facilities included in its Construction Improvement Program for fiscal year 2009 (the "Project"), and \$40,000,000 to be used to pay operational expenses;

WHEREAS, the Authority proposed to repay this interim financing with the proceeds of the next bond issue to be made by the Authority;

WHEREAS, the Board of Directors of the Bank is willing to provide such financing, but in an amount not to exceed \$15,000,000 for the exclusive purpose of financing payroll expenses, in accordance with the terms and conditions herein below set forth, which the Bank understands will be enough to cover the immediate need of funds by the Authority; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Government Development Bank for Puerto Rico to approve a financing for the benefit of the Puerto Rico Highway and Transportation Authority in an amount of \$15,000,000 for the purpose of payroll expenses (the Loan). Proceeds of the Loan will be used to pay such costs or to reimburse for the payment of such costs. The Loan is subject to the following terms and conditions:

Certificate as to Resolution 9024

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Approved on December 17, 2008

1. The principal amount of the Loan shall mature and be due and payable on June 30, 2009. The President of the Bank is hereby authorized to extend further, if necessary, the maturity date of the Loan from time to time, but in no event will the maturity of the Loan be extended beyond June 30, 2011.
2. The principal amount shall be payable solely from proceeds of bonds to be issued by the Authority pursuant to the provisions of the respective sections of the Resolutions or from any other available resources of the Authority.
3. The Loan shall bear interest until paid in full at a rate or rates per annum determined in accordance with the Loan Agreement, to be entered by and between the Bank and the Authority (the "Loan Agreement"). Interest shall be payable monthly in arrears not later than the tenth Banking Day (as defined in the Loan Agreement) following receipt from the Bank of the statement referred to in the next sentence of this paragraph, from any available moneys of the Authority. Each month the Bank shall furnish to the Authority a written statement showing the amount of interest due and payable by the Authority on the Loan for the preceding month. The Authority may prepay the Loan at any time without penalty or premium.
4. The Loan shall be junior and subordinate to outstanding bonds of the Authority and shall be subject to certain other terms and conditions, to be included in the Loan Agreement.
5. The execution and delivery by the President or the Executive Vice President of Financing, or the Vice President of the Bank designated by any of them, of the Loan Agreement by and between the Bank and the Authority are hereby authorized. Upon the execution and delivery of the Loan Agreement, the Authority shall execute a Note in the principal amount of the Loan.
6. If there is no disbursement activity on this additional loan for a period of six months after its approval by the Board of Directors of the Bank, the loan shall be cancelled automatically.
7. This Resolution is intended to be a declaration of official intent under U.S. Treasury Department Regulation Section 1.150-2.
8. The President, the Executive Vice President, or the Vice Presidente of the Bank designated by any of them, are hereby authorized to take all actions necessary of them to carry out the provisions of this Resolution.

The provisions of this Resolution shall become effective immediately upon its adoption.

IN WITNESS WHEREOF I SET my hand and the corporate seal of Government

Development Bank for Puerto Rico, this 15th day of January, 2009.

(SEAL)


OLGA L. ORTIZ
SECRETARY